

31
stephen starr REGISTERED NUMBER: 1474635 (England and Wales)

CHARTERED ACCOUNTANTS

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ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JANUARY 2001
FOR
LEXADON LIMITED



LEXADON LIMITED

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for the Year Ended 31st January 2001

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LEXADON LIMITED

COMPANY INFORMATION

for the Year Ended 31st January 2001

DIRECTORS: J M Knight
Mrs J A Knight

SECRETARY: J M Knight

REGISTERED OFFICE: 26 The Parade, High Street
Watford
Hertfordshire
WD1 2AA

REGISTERED NUMBER: 1474635 (England and Wales)

AUDITORS: Stephen Starr
Chartered Accountants
26 The Parade, High Street
Watford
Hertfordshire WD1 2AA

LEXADON LIMITED

REPORT OF THE DIRECTORS **for the Year Ended 31st January 2001**

The directors present their report with the financial statements of the company for the year ended 31st January 2001.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of property renovation dealers.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

No interim dividend was paid during the year. The directors recommend a final dividend of 8786 per share.

The total distribution of dividends for the year ended 31st January 2001 will be £43,928.

DIRECTORS

The directors during the year under review were:

J M Knight
Mrs J A Knight

The beneficial interests of the directors holding office on 31st January 2001 in the issued share capital of the company were as follows:

	31.1.01	1.2.00
Ordinary £1 shares		
J M Knight	2	2
Mrs J A Knight	3	3

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LEXADON LIMITED

REPORT OF THE DIRECTORS
for the Year Ended 31st January 2001

AUDITORS

The auditors Stephen Starr Chartered Accountants, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'J M Knight', written over a horizontal line.

J M Knight - SECRETARY

Dated: 10th May 2001

LEXADON LIMITED

REPORT OF THE INDEPENDENT AUDITORS TO
LEXADON LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages five to seventeen, together with the full financial statements of the company for the year ended 31st January 2001 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

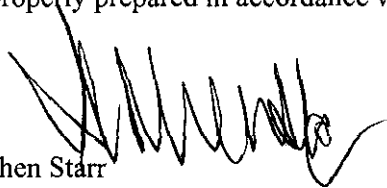
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages five to seventeen are properly prepared in accordance with that provision.



Stephen Starr
Chartered Accountants
26 The Parade, High Street
Watford
Hertfordshire WD1 2AA

Dated: 14 May 2001

LEXADON LIMITED**ABBREVIATED PROFIT AND LOSS ACCOUNT**
for the Year Ended 31st January 2001

31.1.00			31.1.01
£		Notes	£
1,110,696	GROSS PROFIT		974,503
354,159	Administrative expenses		388,750
756,537	OPERATING PROFIT	3	585,753
10,753	Interest receivable and similar income		10,267
767,290			596,020
51,859	Interest payable and similar charges	4	138,471
715,431	PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		457,549
200,852	Tax on profit on ordinary activities	5	109,018
514,579	PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		348,531
43,403	Dividends	6	43,928
471,176			304,603
1,004,974	Retained profit brought forward		1,476,150
<u>£1,476,150</u>	RETAINED PROFIT CARRIED FORWARD		<u>£1,780,753</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these financial statements

LEXADON LIMITED**ABBREVIATED BALANCE SHEET****31st January 2001**

31.1.00				31.1.01	
£	£		Notes	£	£
2,588,504		FIXED ASSETS:			
		Tangible assets	7		3,220,288
		CURRENT ASSETS:			
	520,000	Stocks	8	1,535,817	
	68,639	Debtors	9	25,996	
	588,639			1,561,813	
	792,160	CREDITORS: Amounts falling due within one year	10	1,220,472	
(203,521)		NET CURRENT ASSETS/(LIABILITIES):			341,341
2,384,983		TOTAL ASSETS LESS CURRENT LIABILITIES:			3,561,629
794,268		CREDITORS: Amounts falling due after more than one year	11		1,666,311
<u>£1,590,715</u>					<u>£1,895,318</u>

The notes form part of these financial statements

31st January 2001

31.1.00				31.1.01
£	£		Notes	£ £
		CAPITAL AND RESERVES:		
5		Called up share capital	14	5
50,197		Revaluation reserve	15	50,197
5		Capital redemption reserve	16	5
64,358		Other reserves	17	64,358
1,476,150		Profit and loss account		1,780,753
<u>£1,590,715</u>		SHAREHOLDERS' FUNDS:	18	<u>£1,895,318</u>

ON BEHALF OF THE BOARD:

- DIRECTOR

- DIRECTOR

Approved by the Board on 10th May 2001

The notes form part of these financial statements

LEXADON LIMITED**CASH FLOW STATEMENT****for the Year Ended 31st January 2001**

31.1.00		Notes	31.1.01	
£	£		£	£
1,229,619	Net cash (outflow)/inflow from operating activities	1		(429,598)
(41,106)	Returns on investments and servicing of finance	2		(128,204)
(148,628)	Taxation			(133,500)
(1,592,811)	Capital expenditure	2		(641,878)
(43,403)	Equity dividends paid			(43,928)
(596,329)				(1,377,108)
381,573	Financing	2		1,471,864
£(214,756)	Increase/(Decrease) in cash in the period			£94,756
Reconciliation of net cash flow to movement in net debt				
		3		
	Increase/(Decrease) in cash in the period		94,756	
(214,756)	Cash outflow from decrease in debt and lease financing			
11,536			11,535	
(203,220)	Change in net debt resulting from cash flows			106,291
(203,220)	Movement in net debt in the period			106,291
26,798	Net (debt)/funds at 1st February			(176,422)
£(176,422)	Net debt at 31st January			£(70,131)

The notes form part of these financial statements

LEXADON LIMITED**NOTES TO THE CASH FLOW STATEMENT**
for the Year Ended 31st January 2001**1. RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES**

	31.1.01 £	31.1.00 £
Operating profit	585,753	756,537
Depreciation charges	8,529	9,025
Loss on sale of fixed assets	1,565	-
(Increase)/Decrease in stocks	(1,015,817)	232,200
Decrease/(Increase) in debtors	42,643	(53,014)
(Decrease)/Increase in creditors	(52,271)	284,871
Net cash (outflow)/inflow from operating activities	(429,598)	1,229,619

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	31.1.01 £	31.1.00 £
Returns on investments and servicing of finance		
Interest received	10,267	10,753
Interest paid	(135,726)	(49,114)
Interest element of hire purchase or finance lease rentals payments	(2,745)	(2,745)
Net cash outflow for returns on investments and servicing of finance	(128,204)	(41,106)
Capital expenditure		
Purchase of tangible fixed assets	(641,878)	(1,592,811)
Net cash outflow for capital expenditure	(641,878)	(1,592,811)
Financing		
New loan taken out in year	1,427,936	353,170
Amount introduced by directors	43,928	28,403
Net cash inflow from financing	1,471,864	381,573

The notes form part of these financial statements

LEXADON LIMITED**NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31st January 2001****3. ANALYSIS OF CHANGES IN NET DEBT**

	At 1.2.00 £	Cash flow £	At 31.1.01 £
Net cash:			
Cash at bank	-	-	-
Bank overdraft	(162,965)	94,756	(68,209)
	<u>(162,965)</u>	<u>94,756</u>	<u>(68,209)</u>
Debt:			
Hire purchase or finance leases	(13,457)	11,535	(1,922)
	<u>(13,457)</u>	<u>11,535</u>	<u>(1,922)</u>
Total	<u>(176,422)</u>	<u>106,291</u>	<u>(70,131)</u>
Analysed in Balance Sheet			
Bank overdraft	(162,965)		(68,209)
Hire purchase or finance leases			
within one year	(11,535)		(1,922)
after one year	(1,922)		-
	<u>(176,422)</u>		<u>(70,131)</u>

The notes form part of these financial statements

LEXADON LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS **for the Year Ended 31st January 2001**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Equipment	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

Investment properties

Investment properties are included in the financial statements at valuation. The aggregate surplus from original cost is transferred to a revaluation reserve. Any aggregate unrealised deficit from original cost is charged to the profit and loss account.

On realisation any gain or loss is calculated by reference to the carrying value at the last balance sheet date and is included in the profit and loss account. Any balance in the revaluation reserve is transferred to the profit and loss account reserve.

In accordance with SSAP 19(Revised) 'Accounting for investment properties', investment properties are revalued annually. No depreciation or amortisation is provided in respect of investment properties with over 20 years unexpired. The Companies Act 1985 requires all properties to be depreciated, but that requirement conflicts with the generally accepted principle set out in SSAP 19(Revised). The directors consider that, as the properties are held for long term investment, a true and fair view is given by following SSAP 19(Revised). Depreciation is only one of many factors reflected in the annual valuation of properties and the amount of depreciation or amortisation which might otherwise have been charged cannot be separately identified or quantified.

LEXADON LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**
for the Year Ended 31st January 2001**2. STAFF COSTS**

	31.1.01	31.1.00
	£	£
Wages and salaries	105,949	117,188
Other pension costs	107,538	107,538
	<u>213,487</u>	<u>224,726</u>

The average monthly number of employees during the year was as follows:

31.1.01	31.1.00
2	2
<u>2</u>	<u>2</u>

3. OPERATING PROFIT

The operating profit is stated after charging:

	31.1.01	31.1.00
	£	£
Hire of plant and machinery	12,132	10,438
Depreciation - owned assets	8,529	9,025
Loss on disposal of fixed assets	1,565	-
Auditors' remuneration	8,960	11,159
	<u>30,186</u>	<u>30,622</u>
Directors' emoluments	<u>105,949</u>	<u>117,188</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	31.1.01	31.1.00
	£	£
Bank charges & interest	135,726	49,114
Hire purchase	2,745	2,745
	<u>138,471</u>	<u>51,859</u>

5. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	31.1.01	31.1.00
	£	£
UK corporation tax	<u>109,018</u>	<u>200,852</u>

UK corporation tax has been charged at 32.50% (2000 - 32.50%).

LEXADON LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the Year Ended 31st January 2001****6. DIVIDENDS**

	31.1.01	31.1.00
	£	£
Equity shares:		
Final - share type 1	<u>43,928</u>	<u>43,403</u>

7. TANGIBLE FIXED ASSETS

	Totals	Investme- nt proporti- es	Equipment	Motor vehicles	Computer equipment
	£	£	£	£	£
COST OR VALUATION:					
At 1st February 2000	2,628,934	2,562,180	981	64,274	1,499
Additions	641,878	633,653	-	8,225	-
Disposals	(6,598)	-	-	(6,598)	-
At 31st January 2001	<u>3,264,214</u>	<u>3,195,833</u>	<u>981</u>	<u>65,901</u>	<u>1,499</u>
DEPRECIATION:					
At 1st February 2000	40,430	-	931	38,374	1,125
Charge for year	8,529	-	15	8,140	374
Eliminated on disposals	(5,033)	-	-	(5,033)	-
At 31st January 2001	<u>43,926</u>	<u>-</u>	<u>946</u>	<u>41,481</u>	<u>1,499</u>
NET BOOK VALUE:					
At 31st January 2001	<u>3,220,288</u>	<u>3,195,833</u>	<u>35</u>	<u>24,420</u>	<u>-</u>
At 31st January 2000	<u>2,588,504</u>	<u>2,562,180</u>	<u>50</u>	<u>25,900</u>	<u>374</u>

Cost or valuation at 31st January 2001 is represented by:

	Totals	Investme- nt proporti- es	Equipment	Motor vehicles	Computer equipment
	£	£	£	£	£
Valuation in 1997	50,197	50,197	-	-	-
Cost	3,214,017	3,145,636	981	65,901	1,499
	<u>3,264,214</u>	<u>3,195,833</u>	<u>981</u>	<u>65,901</u>	<u>1,499</u>

LEXADON LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**
for the Year Ended 31st January 2001**7. TANGIBLE FIXED ASSETS - continued**

If investment properties had not been revalued they would have been included at the following historical cost:

	31.1.01 £	31.1.00 £
Cost	<u>3,145,636</u>	<u>2,511,983</u>

Investment properties were valued on open market basis on 31st January 2001 by J Knight-Director.

8. STOCKS

	31.1.01 £	31.1.00 £
Stock	<u>1,535,817</u>	<u>520,000</u>

The stock as at 31 January 2001 was valued at the lower of cost or realisable market value by Mr J M Knight-director.

**9. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.1.01 £	31.1.00 £
Sundry debtors	<u>25,996</u>	<u>68,639</u>

**10. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.1.01 £	31.1.00 £
Bank loans and overdrafts (see note 12)	760,102	300,887
Trade creditors	12,407	17,834
Directors current accounts	145,451	101,523
Hire purchase	1,922	11,535
Other Taxes & PAYE	-	14,516
Taxation	276,370	300,852
Accrued expenses	24,220	45,013
	<u>1,220,472</u>	<u>792,160</u>

LEXADON LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**
for the Year Ended 31st January 2001**11. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	31.1.01 £	31.1.00 £
Bank loans		
(see note 12)	1,391,311	517,346
Hire purchase	-	1,922
Loan from pension fund	275,000	275,000
	<u>1,666,311</u>	<u>794,268</u>

12. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	31.1.01 £	31.1.00 £
Amounts falling due within one year or on demand:		
Bank overdrafts	68,209	162,965
Bank loans	<u>691,893</u>	<u>137,922</u>
	<u>760,102</u>	<u>300,887</u>
Amounts falling due between one and two years:		
Bank loans	<u>189,893</u>	<u>87,822</u>
Amounts falling due between two and five years:		
Bank loans	<u>558,302</u>	<u>245,678</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans	<u>643,116</u>	<u>183,846</u>

LEXADON LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**
for the Year Ended 31st January 2001**13. SECURED DEBTS**

The following secured debts are included within creditors:

	31.1.01	31.1.00
	£	£
Bank overdrafts	68,209	162,965
Bank loans	2,083,204	655,268
	<u>2,151,413</u>	<u>818,233</u>

The bank overdraft and loans are secured by legal mortgages over the unsold properties held by the company.

14. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	31.1.01	31.1.00
		£1	£	£
100	Ordinary		<u>100</u>	<u>100</u>

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.1.01	31.1.00
		£1	£	£
5	Ordinary		<u>5</u>	<u>5</u>

15. REVALUATION RESERVE

	31.1.01	31.1.00
	£	£
Revaluation reserve	<u>50,197</u>	<u>50,197</u>

16. CAPITAL REDEMPTION RESERVE

	31.1.01	31.1.00
	£	£
Capital redemption reserve	<u>5</u>	<u>5</u>

17. OTHER RESERVES

	31.1.01	31.1.00
	£	£
Brought forward	<u>64,358</u>	<u>64,358</u>

LEXADON LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the Year Ended 31st January 2001

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.1.01	31.1.00
	£	£
Profit for the financial year	348,531	514,579
Dividends	(43,928)	(43,403)
Net addition to shareholders' funds	304,603	471,176
Opening shareholders' funds	1,590,715	1,119,539
Closing shareholders' funds	1,895,318	1,590,715
Equity interests	1,895,318	1,590,715